

A need for speed

Stopping drug marketing in its tracks is a vital rationing strategy in the NHS. Is the way ahead clear for you or are you driving with the brakes on?

The pharmaceutical industry likes to sell products. The more sold, the happier drug companies seem to be.

For many firms, success has traditionally been judged in terms of market share or number of units offloaded to the NHS.

Traditional marketing logic in many companies goes something like this – more products sold, for longer periods of time, maximises revenues, so profits will also be greater.

In this more-is-better world, those who advocate lower sales and ceilings on revenues, if they even dare make their opinions known, are rarely heard above the laughter they generate.

In this environment, the best marketing strategy is to sell as much as possible before a competitor takes market share; speed has become crucial. Gone are the days when an innovator would have a 10 or 20 year breathing space. Copying begins straight away.

Pharmaceutical companies, along with their NHS counterparts, strain to keep pace with the ever-evolving structure of the NHS, employing consultants to help them align to these, but the list of NHS changes and initiatives seems endless.

The real issue for product sales, however, is not NHS structure or new Government initiatives, *per se*, but how these impact on your products speed. Are the NHS and Government hoodwinking pharma with sleight of hand? Are they giving with one hand and taking away with the other?

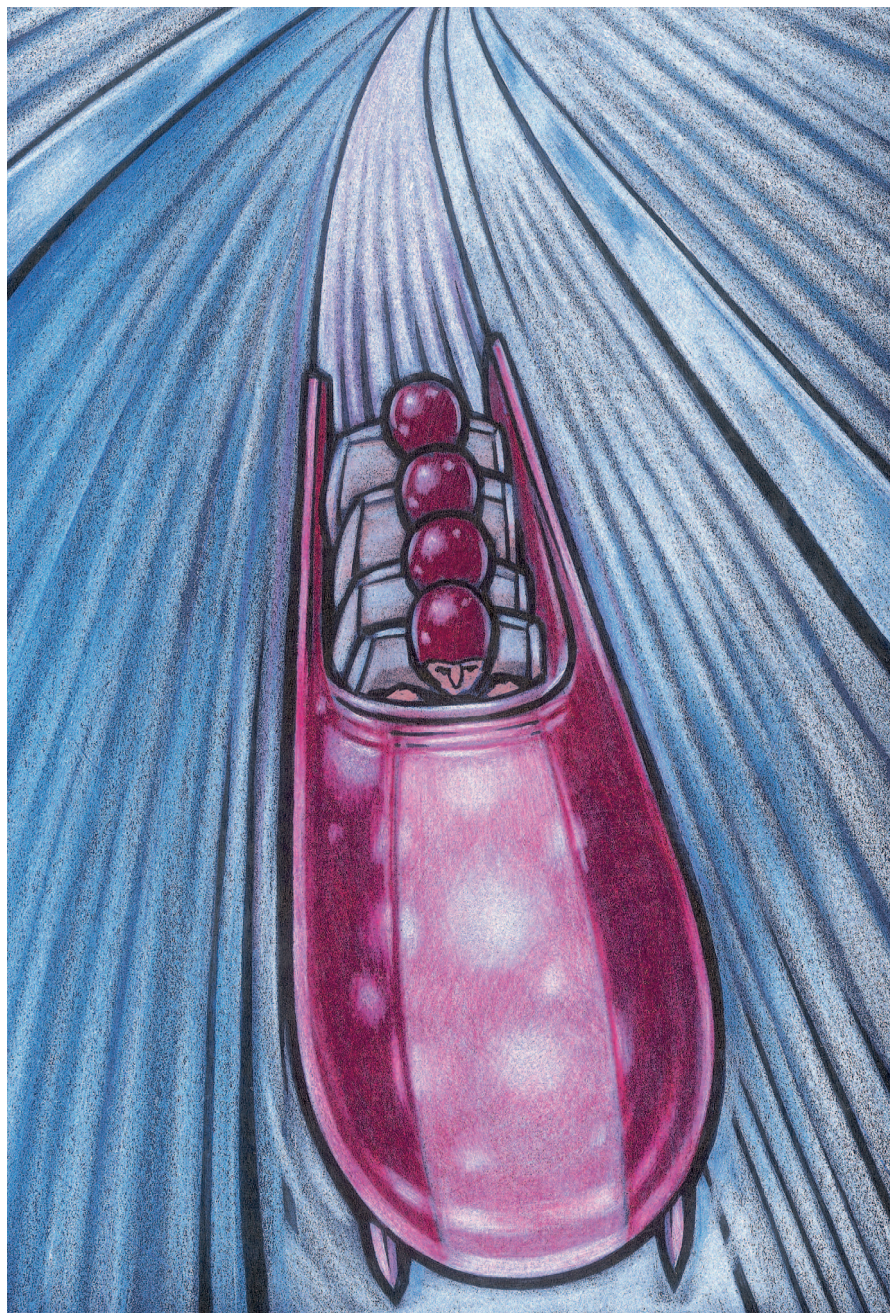
Keep your eye on the ball and feel the need for speed as that's the only way to ensure your product can build up sufficient velocity to smash the obstacles in its way.

Stop and start

When marketing departments and NHS liaison teams analyse the NHS they should think in terms of 'brakes' and 'accelerators'. For example, will NICE quicken or slow the sales of a particular product?

In a world where speed matters, pharma could do worse than to copy the NHS and use a traffic light system to categorise NHS organisations and initiatives into factors that stop, hold or enhance their product's use.

Within a local PCT, for example, the formulary committee may give a green light to your latest product but the phar-



maceutical adviser may have told the GPs, informally and unofficially, that this new drug has been given a red light.

Similarly, when NICE announces a new appraisal but before the body makes its final decision, a product is clearly given an amber light. Don't hit the accelerator unless the way is clear.

An amber light has also been given at a regional level where, I have heard, a clinical trial was established for a new product, as the sponsoring health authority wanted to delay its use until a

cheaper competitor was launched onto the market.

So, collecting more evidence or waiting for a national decision is simply a way of delaying sales.

Great timing

Once companies start analysing the NHS in terms of speed, it will become clear that many Government schemes are less about meeting patient need and more about controlling the time it takes to meet that need. ►►



nhs update

► For example, the Government knows that statins are underprescribed in the UK, so it sets targets for acceptable levels of usage. However, the powers-that-be also know there are limited funds, so targets are set based upon a gradual increase in use, so not all patients are treated straight away.

The NHS, therefore, knows the desired level of penetration for particular products but wants to control the time it takes to reach maximum spend.

For a health service worried about cost control, a rationing strategy based upon applying the brakes is a fantastic idea, as the longer prescribing takes the more me-toos and generic versions appear.

Speed is, therefore, an important rationing strategy for the NHS.

The wrong debate

An understanding of speed can help you see the world more clearly, and you begin to realise why many of your previous beliefs were incorrect.

One of the major frustrations for pharma companies has been the fact that the NHS talks in terms of needs, outcomes and quality but sales of innovative and effective medicines are not rising proportionately.

Every time your lobbyist talks to a minister, your liaison team visits an adviser, or a rep sees a GP, they will find that the NHS agrees that better patient care is in the common interest of both

sides. But when pharma sees that sales are not rising as fast as expected, panic develops because the problem is thought to lie with the company or the product as the NHS is willing to prescribe on the basis of outcomes not costs.

However, ministers, civil servants and NHS employees are using a new sleight of hand to confuse the industry, as they are agreeing that better, innovative products should be used they are just not declaring how quickly.

A classic examples of trickery used in the last few years has been the setting of local targets for drugs, by pharmaceutical advisers who then stall their use until a generic version is launched. In other words, the NHS will use your products but not quick enough for you to benefit.

The hard sell

It may seem that selling products to the NHS is like driving with the handbrake on – it takes a lot of effort for little reward, and the friction can do irreparable damage.

For the industry, such friction just pushes up the cost of marketing and the price of future products, which eventually just makes it harder for the NHS to pay for the drugs needed by patients.

The ensuing tug of war, where pharma tries to quicken sales and the NHS to slow them, will not lead to lower prices but to greater marketing and medicines costs.

The only way to conquer this problem is to engage in transparent negotiations. Pharma should begin talks with the NHS on the issue of speed, particularly as the Government is promoting the managed entry of new products through the National Horizon Scanning Centre (www.bham.ac.uk/PublicHealth/horizon) and its network of pharmaceutical advisers.

In response, marketing plans should embody timelines for the management of product sales, and deals should be brokered with the NHS that allow both sides to achieve the outcomes they desire in a controlled way.

If pharma ignores the issue of speed, more will be spent on advertising, liaison and sales in an attempt to encourage use, when the real problem is not lack of belief in your products but an NHS that wants to use them in the future, not today.

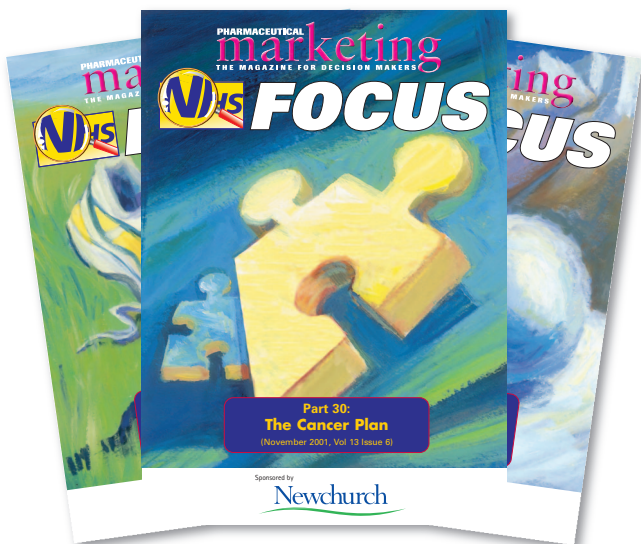
Managed entry timelines should be included in your marketing plans which should be shared with the NHS in a way that identifies the accelerators and brakes.

However, if you are not convinced that speed is an important issue, the next time you're sitting at traffic lights just contemplate the damage done when you try to jump a red light.

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